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Exporter Guide

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Report Highlights:

The Mexico Exporter's Guide is an excellent resource for U.S. exporters interested in doing business in this dynamic market. This marks the third straight year of record export growth for U.S. agricultural sales to Mexico. In 2005, Mexico surpassed Japan as the United States' second largest agricultural export market. Mexico is a growth market for U.S. exporters and this guide offers information, practical tips as well as, contacts that will assist in decision-making and business negotiations.

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Welcome to Mexico, the United States' second most important trading partner in the world. The USDA's Agricultural Trade Offices (ATOs) in Mexico provide "One Stop Shopping" for U.S. companies interested in learning about export opportunities in Mexico. The mission of the ATOs is to assist U.S. companies in market development and promotion of US food and agricultural products in Mexico. The ATOs, located in Mexico City and Monterrey, offer U.S. food and agricultural product companies a wide variety of trade services geared to understanding, promoting and selling in this dynamic marketplace.

To support your trade endeavors, we have prepared this Exporter's Guide. The Guide, which is divided into five sections, offers both new exporters to the market and those who have experience in Mexico, a snapshot of what you need to know to achieve success. The guide is organized into the following parts:

Market Overview:

The Market Overview is a summary of the overall business climate, as well as, a general perspective of the market opportunities for high-value consumer foods/beverages as well as edible fishery products.

Exporter Business Tips:

This section will provide you with practical information on business practices and what to expect when doing business in Mexico.

Market Sector Structure and Trends:

The market sector structure and trends is a qualitative assessment of the market opportunities for consumer-oriented foods/beverages and edible fishery products in the food retail, HRI (hotel, restaurant, and institutional) food service and food processing sectors.

Best Consumer Oriented Product Prospects:

In this section you can find some of the top import prospects in Mexico.

Key Contacts:

Key Contacts is a list of "Whose Who," that you need to know in Mexico.

If you are an exporter, you need to be in the Mexican market, and we are here to assist you. If you have questions or comments regarding the Guide, please contact our offices.

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Section I. Market Overview

The Mexican market continues to be a growth market that represents one of the best opportunities in the world for U.S. exporters of food products. The United States will continue to experience, with Mexico, trade irritants and non-tariff trade barriers, which does not negate the fact that this market is continuously growing and represents the United States' second most important trading partner after Canada. U.S. agricultural and food exports to Mexico have been climbing at an annual rate of almost 10 percent since 2002. Total agricultural fishery & forestry exports for CY 2005 reached \$9.9 billion, an increase of 10 percent over the previous year's pace. Imports from Mexico reached a record \$9.1 billion in 2005, 14 percent ahead of 2004. In the first quarter of 2006, U.S. total exports to Mexico are up 20 percent, while Mexican exports to the U.S. are up 30 percent from the previous year. While the U.S. has for many years maintained an approximately \$1 billion trade surplus, in the last year that gap has begun to narrow. Two-way trade of agricultural forestry and fisheries products is now approaching nearly \$20 billion. Mexico continues to increase its focus on exports. Therefore, to continue trading with the U.S. market; Mexico will have to allow access for U.S. products to its market.

Mexico has implemented sound macro-economic policies that contributed to a stable peso-dollar exchange rate and low inflation levels. The 2006 economic growth forecast for Mexico has been boosted to above 4 percent due to an increase in consumer demand in the industry, services and export sectors. According to Mexico's finance ministry, the Mexican economy grew more than 4 percent in the second quarter of 2006 compared with the same period in 2005, due partially to a surge in manufacturing exports and strong investment. Mexico's economy remains heavily dependent on oil exports, remittances and trade with the United States, which purchases 90 percent of Mexico's exports.

Mexico rebounded from its financial crisis in the mid nineties, and U.S. exports to Mexico have almost doubled from the pre-crisis level. In 2005, the United States experienced record level exports to Mexico in the areas of intermediate and consumer oriented products, such as meat, soy oil, poultry meat, dairy products, wine and beer. Our most important exports, in terms of total sales, have been coarse grains, red meats, and soybeans representing approximately 30 percent of total exports to Mexico. Cotton, wheat, poultry and dairy products are also strongly represented in the trade mix. Fresh vegetables and fruit account for approximately 40 percent of the value of total Mexican exports to the United States.

Mexico is experiencing a population growth of just over one percent, adding to the current population of over 106 million. Fifty-three percent of the population is under the age of 25 and seventy nine percent of the population resides in the urban areas. These up and coming consumers are more oriented towards U.S. products; therefore, these demographic changes in Mexico bode well for increasing exports. Women continue to join the workforce in larger numbers, which leads to increased demand for consumer-ready food products. Urban women in particular are shifting to healthier lifestyles for themselves and their children and are thus shifting their food consumption patterns to a more U.S./European style. These trends are also impacting supermarket growth. About 45 percent of retail food sales go through supermarkets; that figure is expected to grow 60-65 percent in five to ten years. Supermarkets have better lighting, better displays, and maintain the cold chain better than traditional food retailers. This definitely helps sales of imported and usually higher value products.

The U.S. has a competitive advantage when it comes to Mexico. Sharing a 2,000 mile-long border and with multiple, sophisticated border crossings, the United States is the natural supplier in this just-in-time delivery market. In addition, the close proximity has made the

tourism and restaurant sectors a dynamic sector for U.S. exports. Cancun and the Riviera Maya are up and running again after the ravages of Hurricane Wilma. Tourist destinations like Puerto Vallarta and Los Cabos on the Pacific Coast are booming. Most tourists are North Americans and, to a large degree, they like to consume familiar products.

Under NAFTA, Mexico has become one of the largest and fastest growing markets for US agricultural products. Full implementation of NAFTA for most products was in 2003, and even sensitive products are scheduled to be duty free by 2008. U.S. agricultural fish and forestry exports have more than doubled since the onset of NAFTA (from \$4.1 billion in 1993).

Advantages and Challenges for US Exporters in Mexico

Advantages	Challenges
<ul style="list-style-type: none"> ◆ The majority of U.S. products now enter Mexico tariff-free ◆ Mexican consumers recognize U.S. brands and labels and associate U.S. made products with high quality and value ◆ The US has strong reputation for consistency in the quality and supply of U.S. products among retail chains ◆ Population in urban centers is growing and the rate of employment among women is continuing to grow ◆ Proximity to U.S. market keeps transportation costs to Mexico low ◆ The Mexican peso continues to be relatively stable in its relation to the US dollar, making unexpected price fluctuations less likely ◆ Continued growth in almost all sectors of the processed food industry in Mexico, and increased investments from national and international based companies, including those from the U.S., will raise the need for inputs ◆ The major retailers are developing increasingly sophisticated distribution systems, which will provide more space and better cold chain technology for high-value imports 	<ul style="list-style-type: none"> ◆ Mexico continues to explore and use individual product by product policy measures on a few sensitive products to protect the domestic industry, such as safeguard and anti-dumping cases ◆ Increasing competition from Mexican food processing companies ◆ Mexican consumers are quite price conscious, and imported U.S. processed products in general are 15-40 percent higher in price ◆ Transportation and distribution methods inside Mexico are undeveloped in many regions ◆ Imported products are subject to often onerous Mexican quality standards (NOMs) and labeling requirements ◆ Phytosanitary and technical barriers and labeling requirements can cause border crossing problems and delays as Mexican import regulations can change rapidly and without notice ◆ Mexico has signed 10 trade agreements in the last decade covering 60 percent of the world's GDP, including Europe; thus increasing third country competition

Section II. Exporter Business Tips

Business culture

Understanding local practices, cultural preferences and consumers' behavior is a job the U.S. exporter should do to determine each company's objective, each product, target audience, budget constraints, and local distribution capabilities. To illustrate, if a company is trying to develop a brand, then a massive means of promotion would probably be the most appropriate tool. However, if it were an innovative product that is to be introduced into a given market, then product demonstration or sampling would be the most appropriate promotional tool.

Personal relationships are the essential base of Mexican business relationships. Mexicans attach great importance to courtesy in all business endeavors. A warm handshake combined with conversation about the person's well being, family, or other similar topics prior to launching into any conversation related to business is considered a common courtesy. The concept that "time is money" should be left at the border and, though Mexican businesses are also conscious of the bottom line, courtesy and diplomacy are more important values to most Mexicans than getting immediately "down to business".

Personally visit your Mexican clients in Mexico. If a Mexican client visits you in the United States, you are expected to wine and dine him. You will be accorded similar treatment when visiting Mexico.

Entering the Mexican Market

U.S. exporters should consider contacting local distributors/importers as an important early step in their efforts to establish themselves in the Mexican market. A good distributor should promote sales and make sure that the imported products are available at points of sale. It is essential to maintain close contact with your representative, especially regarding changes in import procedures and documentation.

An affordable way to investigate the market is to participate in and/or attend Mexican trade shows, particularly U.S. Pavilions organized at selected shows. A show can serve as a way to contact local distributors/sales agents, buyers and businessmen, and to become familiar with local competition. In the case of new-to-market companies, be prepared to provide support for in-store and media promotions to familiarize consumers with your products.

If possible, develop product information/promotional pamphlets in Spanish. Generally, medium and small-sized U.S. companies that enter the Mexican market leave all of the promotional efforts to their local distributor or representative, relying entirely on their ability to sell to major players in the market. However, industry experts believe that in order to establish a long-term presence in Mexico, U.S. firms must directly invest in marketing and promotion to increase their sales.

WHAT U.S. COMPANIES SHOULD KNOW

- ♦ U.S. companies need to carry out market research to find out more about factors affecting their products such as local practices, competition, regulations, trends and distribution.
- ♦ U.S. firms must "acclimatize" their product to the local social and cultural preferences.
- ♦ U.S. companies should assign a specific budget to promoting the product locally.
- ♦ During the last ten years the marketing industry has evolved into a more sophisticated, segmented, and dynamic one.

Today, the choices U.S. firms have for marketing their products in Mexico range from promoting their products at food trade shows, point-of-sale displays, distributing promotional material in a one-to-one approach, promotional services such as in-store promotions, free sample campaigns, to advertising on billboards or utilizing other mass media channels.

It is highly recommended that companies do a background check with local associations before entering into contractual agreements with the potential importers. Local associations are often a great source for information and general orientation as to the most recommended strategy. The best way to understand the Mexican market is to visit the marketplace and to talk to buyers, retailers, distributors and other players in order to prepare a more effective entry strategy. U.S. exporters must do their research not only in terms of typical market research, but also finding appropriate business contacts and thoroughly reviewing Mexican import regulations in order to successfully seize market opportunities and overcome market challenges.

More information is available on import regulations in the GAINS report MX5064 that includes information on the processes and procedures for exporting products across the US-Mexican border. Furthermore, the U.S. Agricultural Trade Offices (ATO) of the United States Embassy with offices in Mexico City and Monterrey can provide general market and sector specific information, as well as assist U.S. exporters in identifying trade contacts and developing their marketing strategies in Mexico.

Section III. Market Sector Structure and Trends

A. Retail Sector

Food retailers in Mexico are comprised of four groups. First, there is a variety of 'small full-service stores' that tend to be 'independent' (not in chains), ranging from 'kiosks', small stands, serving pavement traffic to traditional small full-service shops, either selling a variety of groceries or specializing in fish, meat, fruit, vegetables, or baked goods.

Second, there are 'traditional markets' (open-air or covered) that vary from 'plaza markets' in the center of towns or neighborhoods that have rows of small retailers or a mix of retailers and wholesalers, to 'street fairs'. The latter come under a variety of open-air street fairs and mobile markets. Street fairs are essentially smaller versions of plaza markets, but focused on perishables that move from neighborhood to neighborhood on a regular schedule.

Third, there are 'small self-service stores' (that is, smaller than supermarkets) that tend to be in chains, and vary from 'hard discounts' (sometimes on the borderline of being a small supermarket, with a limited set of products, food or non-food or both, an austere format, and low prices) to 'convenience stores' such as those located in petrol filling stations.

Fourth, there are the large self-service stores, in chains or independent. Generally, these stores are classified as either 'supermarkets' (roughly 350 to 4000m² and/or with 3-4 or more cash registers, with the precise definition varying somewhat over countries), or the larger 'hypermarkets'. Other large formats include warehouse-formats and membership clubs. Supermarkets tend to have a higher share of food in total sales than do the hypermarkets or clubs.

In Mexico most of supermarket chains, convenience stores and department stores are associated with the National Retailers Association (ANTAD). Wal-Mart the largest supermarket of them all is not affiliated with ANTAD.

Number of ANTAD Associates			
Chains	Stores	(000 Sq. meters)	Nbr. Staff
SUPERMARKETS	1,441	5,811	206,342
DEPARTMENT STORES	731	2,467	79,874
CONVENIENCE	8,847	2,122	46,593
TOTAL	11,019	10,399	332,810

The retail sector continues its incredible growth. Soriana (www.soriana.com) grew sales just over 13% for the second quarter of 2005 and is projecting 14% growth for the year. As of April 2006, Soriana has 204 outlets located in 85 of the most important cities in 28 states in the country. Soriana also has six distribution centers, and the headquarters is located in Monterrey, N. L.

**TOTAL SALES GROWTH
2001-2006**

2001 2002 2003 2004 2005 2006

Supermarkets 3.4%-1.8% 2.8% 5.3% 4.3% 3.2%

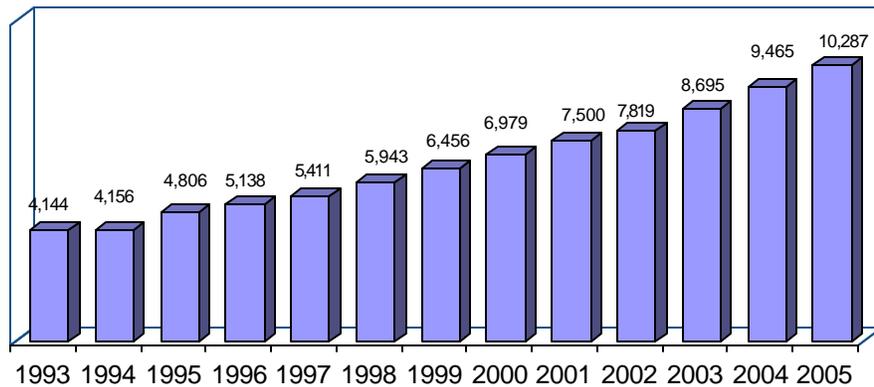
Comercial Mexicana operates several store formats, which are Comercial Mexicana, Bodega CM, Mega, Costco and Sumesa, and Restaurantes California. Comercial Mexicana has the 50% in the participation with Costco Wholesale Corporation. In 2006, Comercial Mexicana opened a new store format, City Marque. As of December 2005, the chain had 191 supermarkets.

In addition to sales growth, supermarket chains are introducing new store formats, new sections within stores and are expanding into areas where they did not previously have presence. For example, Soriana's Mercado format is modeled on the traditional Mexican market with a limited selection of staples and low prices. On another front, Waldo's Mart (www.waldosmart.com.mx) has quietly grown its chain of single-price

considering a single-price format. Wal-Mart also is experimenting with specialty areas, like organic foods within supermarkets. Wal-Mart and Sam's Club have just opened 'new product' sections in their respective purchasing departments to introduce products specifically geared to the Mexican consumer. Finally, there is a concentrated movement of club stores like Costco, Sam's Club and City Club to open in resort areas, and sell to hotels and restaurants there (thus filling a void as there is no national supplier of HRI products in Mexico).

Total ANTAD Sq. m² Growth

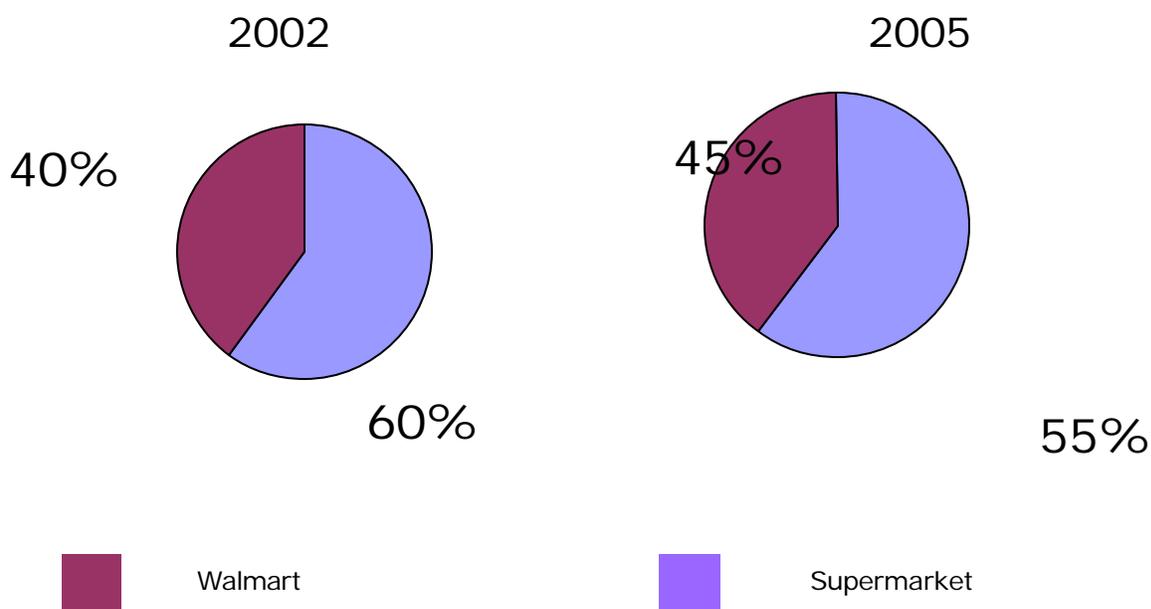
Percentage, 1993-2005 7.9%



Average Investment
\$1,400 mdd a year

Wal-Mart Mexico, the country's largest retailer, (www.walmartmexico.com.mx) had sales growth of almost 14% for the first 30 weeks of 2005 and is projecting medium term sales growth of 15%. Also, Wal-Mart added 16 new stores this year through early August, including 1 Superama, 2 Sam's Clubs, 3 Wal-Mart Super centers, and 10 Bodegas Aurrera, which brings its total to 837 stores.

Analysis Antad vs. WalMart



Incluye todos los formatos de la cadena WalMart (Autoservicio)

A revolution in purchasing and distribution is ongoing. Wal-Mart, Soriana, Comercial Mexicana and Gigante have all introduced distribution centers for fresh and frozen, or dry goods or both. The latter three supermarkets also have formed a single purchasing company for dry goods, Sinergia, in an effort to combat the buying power of Wal-Mart. Consequently, supermarket chains are rapidly reducing purchases from traditional central markets. In addition, the leading chains are quickly moving to systems of preferred suppliers and specialized distributors.

What this means for exporters:

- Traditional retail sales and marketing chains are changing rapidly. Be prepared to make new contacts to keep your products on store shelves.
- Supermarkets are more and more interested in buying directly from suppliers, bypassing traditional distributors.
- If you have been selling into the HRI sector and want to take advantage of the club store movement to supply hotels and restaurants, you will have to label your products as if they were for retail sale.
- Competition is fierce and retailers are constantly searching for new products, so you cannot take the Mexican market for granted. Come every year to trade shows or to your distributors with your new products, as that is what consumers want.

Local producers are the main suppliers of consumer ready products. Mexico has a relatively strong food processing industry and leading Mexican brands have well-

enjoy high brand awareness with consumers. Some of these companies include Grupo Industrial Bimbo (bread products) considered to have one of the country's best distribution systems, Nestle (food products in general), Herdez (food products in general), Sabritas (snack foods) Grupo Industrial Lala (dairy products) and Jugos del Valle (fruit juices).

There are also several American and multinational producers/importers in Mexico, including: Campbell's, Bacardi, General Mills, Gerber, Kellogg's, Kraft Foods, Procter & Gamble, Frito Lay-Pepsico, Pilgrim's Pride, Purina, and Tyson.

Competition among importers depends on the category. Competition from Europe has increased as a result of the Mexico-European Union Free Trade Agreement, although meat and dairy products were excluded from the treaty. Canada, Australia and New Zealand export notable amounts of meat and dairy products to Mexico. New Zealand butter, for instance, is well positioned in Mexico City retailers. For additional information on the retail sector, please refer to the GAINS Mexican retail report MX5303

B. Food Processing Sector

In Mexico, according to the Business Registry of the Mexican Secretariat of Economy (SECO), www.economia.gob.mx, there are over 8,000 food & beverage processing companies, generating over half a million jobs, and handling a range of over 20,000 different products.

Mexico offers very good opportunities for suppliers to the processed food sector. The demand for processed foods is increasing, and the industry is keeping pace. There are several emerging consumer and industry trends that are shaping the food processing industry. For example, Mexico is the world's largest per-capita consumer of soft drinks. An increase in the number of people plagued by diabetes and obesity, along with an aging population coincides with a market shortage of items geared towards these groups. Nonetheless, the consumption of fruit (fresh and prepared), meat products and dairy (especially yogurt and similar goods) is on the rise. A new class of Mexican consumer is demanding products that are healthy, convenient and innovative.

A number of demographic factors are directly influencing the performance of packaged foods in Mexico, namely, the increasing participation of women in the workforce and an aging population.

The percentage of working women in Mexico increased substantially, rising from 18% in 1970 to 35% in 2005, according to census research by the National Population Council (CONAPO), www.conapo.gob.mx.

Females in the workforce are significant for two fundamental reasons. First, their additional wages adds further to disposable household income to allow for the purchase of products previously perceived as too expensive. Second, with more women working and spending less time engaged in domestic activities, Mexican consumers now are searching for more convenient food and foodservice alternatives.

Other developments likely to be observed over the forecast period as a result of the

products on their own, smaller packaging options geared towards younger consumers as well as less affluent consumers, prepared or ready-to-eat meal substitutes and products with facilitated preparation times.

A number of manufacturers now target younger consumers with value-added fortified biscuits and cereals, among others. It is anticipated that higher life expectancy rates will be supported by increased health awareness.

Additionally, companies in the food-processing sector have formed strategic alliances with foreign companies in search of technology, raw materials and capital. U.S. suppliers dominate Mexican imports of raw materials and foreign direct investment for the sector. Between 1999 and 2004, US\$3.86 billion in foreign investment flowed into 645 companies registered in the food-processing sector, out of which 50% received U.S. capital. Also, Mexico imports from the United States six times as much raw material for the industry as it exports. Imports for the food-processing sector grew 23 percent between 2001 and 2005. The figures indicate a strong and growing dependence upon foreign suppliers to the industry, and U.S. suppliers are well positioned to take advantage of these opportunities.

C. Hotel, Restaurant, Institutional (HRI) Sector

Mexico's hotel, restaurant and institutional food services (HRI) sector continues to provide export opportunities. During 2005, Mexico received a record number of international visitors of 21.9 million who spent over \$11.8 billion. Total tourism GDP during 2005 reached \$59 billion representing a 7.7 percent of the national GDP of which the consumer foodservice contribution is estimated to be at around 2.4 percent.

The Mexico's Secretary of Tourism, reports 541,603 rooms in Mexico with 46 percent of them being Three, Four and Five star hotels. According to the National Chamber of the Restaurant Industry (CANIRAC), Mexico has around 223,000 established restaurants, which reported sales of \$14.1 billion in 2005.

U.S. suppliers continue to enjoy favorable market conditions as Mexican consumers become more discerning and American restaurants and hotel chains expand operations in Mexico. The total value of U.S. exports of food and agricultural products not including fish and forestry products to Mexico were \$9.4 billion in 2005. In 2006, at current growth, U.S. agricultural exports to Mexico will be \$10.8 billion. Sales of consumer-ready products account for 44 percent of these imports, and reached a record of \$4.2 billion in 2005. At the current pace, imports of consumer ready products during 2006 are expected to reach US \$4.9 billion.

U.S. products are perceived to be of high quality and the United States has a 75 percent import market share in agricultural products, followed by Canada with 6 percent. American products dominate imports with the main competition coming from local firms. Of all food products consumed in hotels and restaurants, approximately 15 percent is imported.

Independent distributors continue to be the main suppliers for the HRI sector. However, they have been experiencing greater competition from large Club Stores, which have been aggressively pursuing their share of this market, especially in the resort areas.

The largest growth is seen in tourist destinations, such as the Mexican Caribbean (Cancun and recently the Mayan Riviera) Huatulco in the South, Los Cabos and Puerto Vallarta in the West Coast. The main distribution centers continue to be the large central markets located in Mexico City,

Monterrey y Guadalajara. However, with the modernization of port and airport infrastructure as well as logistic centers in many places, cities such as Cancun receive most of its imported items directly.

While some hotels and restaurants do import directly, U.S. suppliers need to serve the market through an established distributor. Some hotels and restaurants, especially those belonging to international chains/franchises, have centralized controls that limit their individual ability to purchase new items. However, they are always looking for new products.

The best prospects for U.S. exporters are with the large hotel groups and international-class restaurants since smaller establishments use fewer processed foods and a limited number of imported goods. Many U.S. food products, including frozen meats, poultry and dairy products, are purchased directly at large club stores for use in many restaurants.

The Mexico City ATO will release an HRI sector report in Feb. 2007.

Section IV. Best High value Product Prospects

From 2002 to 2005, U.S. consumer ready product sales have continued their climb increasing 32.5 percent to record levels of \$4.2 billion with record sales across many product categories such as poultry meat, dairy, fresh vegetables, processed fruit and vegetables, breakfast cereals and mixes, processed meat, wine and beer. In addition, record sales were registered for intermediate and bulk products.

US EXPORTS OF CONSUMER READY AND INTERMEDIATE AGRICULTURAL PRODUCTS (In Thousands of US Dollars; Calendar Year Information)

Product	2003	2004	2005	Jan-Jul 2006
Dairy Products	251,385	387,263	507,454	241,610
Poultry Meat	259,536	330,652	451,599	250,019
Snack Foods	179,657	190,606	226,334	129,130
Brfast cereals/dry mixes	57,318	60,608	59,697	34,181
Processed Fruits and Vegetables	383,768	402,906	407,103	236,602
Wine/beer	57,299	66,006	75,249	51,041
Red Meats (fresh/chilled/frozen)	1,126,343	1,067,870	1,339,888	939,185
Red Meats (prepared/preserved)	157,087	91,624	97,108	61,152
Rice	140,398	182,823	165,434	113,608
Soybean Meal	150,812	216,477	321,219	212,936

Sugars, sweeteners, beverage bases	40,118	64,772	122,408	113,264
Forest products	396,817	458,614	513,272	336,521

Source: USDA bulk, intermediate, and consumer-oriented agricultural product data (BICO).

Section V. Key Contacts

The primary mission of the U.S. Agricultural Trade Offices (ATO) in Mexico City and Monterrey is to assist in the market development and promotion of U.S. food and agricultural products in the Mexican market. There are a wide variety of activities and services that the ATOs, along with other private sector representatives called "cooperators," make available to help develop U.S. agricultural interests in Mexico. If you have any questions or comments regarding this report or need assistance exporting U.S. food and beverage products to Mexico, please contact the ATOs in Mexico City or Monterrey.

The Mexico City ATO has changed its location along with the nine cooperators that were formerly co-located at the Jaime Balmes address. The addresses below are updated and should be used for all contacts.

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Appendix – Statistics

**MEXICAN IMPORTS FROM THE UNITED STATES AND THE WORLD
(In Millions of USD)**

	Imports From the World			Imports From the US			US Market Share		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
BEEF FRESH/CHILLED	794	670	820	720	415	654	91	62	80
POULTRY MEAT	327	386	532	317	334	461	97	87	87
DAIRY, EGGS, HONEY	731	897	1147	305	403	542	42	45	47
CHEESE	2701	3571	2591	820	1394	1291	30	39	50
VEGETABLES	203	213	225	157	170	176	77	80	78
EDIBLE FRUIT AND NUTS	523	523	588	359	350	451	69	67	77
CEREALS	1870	2010	1864	1697	1830	1703	91	91	91
PRESERVED FOOD	383	394	438	256	261	290	67	66	66
BAKING RELATED	437	519	613	243	338	406	57	65	66
BEVERAGES	385	417	471	159	143	155	41	34	33
DOG, CAT, RETAIL SALE	57	27	45	107	69	86	53	39	52
HIDES AND SKINS	847	1020	934	567	698	513	67	68	55
CUT FLOWER	3446	3299	2856	724	568	248	21	17	9
CRUSTACEANS	34	29	45	6720	4542	8649	1	1	1
SALMON ATLTC, DANUBE	979	143	218	9	5	8	1	3	4
OTHER SEAFOOD	12	11	11	3	3	4	25	27	36

SOURCE: WORLD TRADE ATLAS

**World Trade Atlas
Mexico - Imports -Total-
08 EDIBLE FRUIT AND NUTS
Millions of US Dollars**

January - June

Rank	Country	2004	2005	2006	% Share		
					2004	2005	2006
1	United States	149.158612	196.233874	240.412403	58.12	70.24	69.4
2	Chile	89.927992	68.034257	88.409367	35.04	24.35	25.5
3	Argentina	4.793108	7.924557	9.004804	1.87	2.84	2
4	Canada	6.607163	1.565233	2.556933	2.57	0.56	0.7
5	China	0.498402	0.569993	1.472343	0.19	0.2	0.4
6	Iran	1.352719	0.808637	0.989852	0.53	0.29	0.2
7	Spain	0.434434	0.901473	0.804221	0.17	0.32	0.2
8	Philippines	0.211451	0.274283	0.70184	0.08	0.1	0
9	Turkey	0.317429	0.308288	0.428016	0.12	0.11	0.1
10	New Zealand	0.224559	0.258125	0.388224	0.09	0.09	0.1

Source of data: Secretary of Economy

World Trade Atlas
Mexico - Imports -Total-
02 MEAT
Millions of US Dollars
 January - June

Rank	Country	2004	2005	2006	% Share		% C
					2004	2005	
1	United States	600.452717	859.318498	990.931275	65.79	77.16	83.4 15.3
2	Canada	226.466261	139.094277	97.143344	24.81	12.49	8.18 -30.
3	Chile	25.429218	56.990656	54.607469	2.79	5.12	4.6 -4.1
4	New Zealand	28.195874	26.440428	21.787279	3.09	2.37	1.83 -17.
5	Australia	24.116354	25.465033	17.155956	2.64	2.29	1.44 -32.
6	Costa Rica	1.512038	2.542501	1.856677	0.17	0.23	0.16 -26.
7	Spain	0.331348	0.804345	1.325008	0.04	0.07	0.11 64.7
8	Denmark	0.740512	0.421565	1.215693	0.08	0.04	0.1 188.
9	Nicaragua	3.818284	1.443206	1.088781	0.42	0.13	0.09 -24.
10	Panama	1.109019	0.932324	0.954808	0.12	0.08	0.08 2.41

Source of data: Secretary of Economy

World Trade Atlas
Mexico - Imports -Total-
04 DAIRY,EGGS,HONEY,ETC
Millions of US Dollars
 January - June

Rank	Country	2004	2005	2006	% Share		% Change
					2004	2005	2006- 06/05 -
1	United States	163.668403	206.137727	252.901315	37.38	40.79	49.72 22.69
2	New Zealand	111.924444	139.197314	126.940919	25.56	27.54	24.96 -8.81
3	Chile	26.608319	39.570207	33.640849	6.08	7.83	6.61 -14.98
4	Argentina	22.271542	19.667426	26.078437	5.09	3.89	5.13 32.6
5	Uruguay	17.870374	21.244775	18.191606	4.08	4.2	3.58 -14.37
6	Australia	8.333528	5.853982	12.86467	1.9	1.16	2.53 119.76
7	Belgium	9.879918	14.279602	7.702431	2.26	2.83	1.51 -46.06
8	Netherlands	11.212926	6.681078	7.669102	2.56	1.32	1.51 14.79
9	United Kingdom	8.484788	7.051452	5.822695	1.94	1.4	1.15 -17.43
10	Spain	7.961265	13.993199	4.691148	1.82	2.77	0.92 -66.48

Source of data: Secretary of Economy

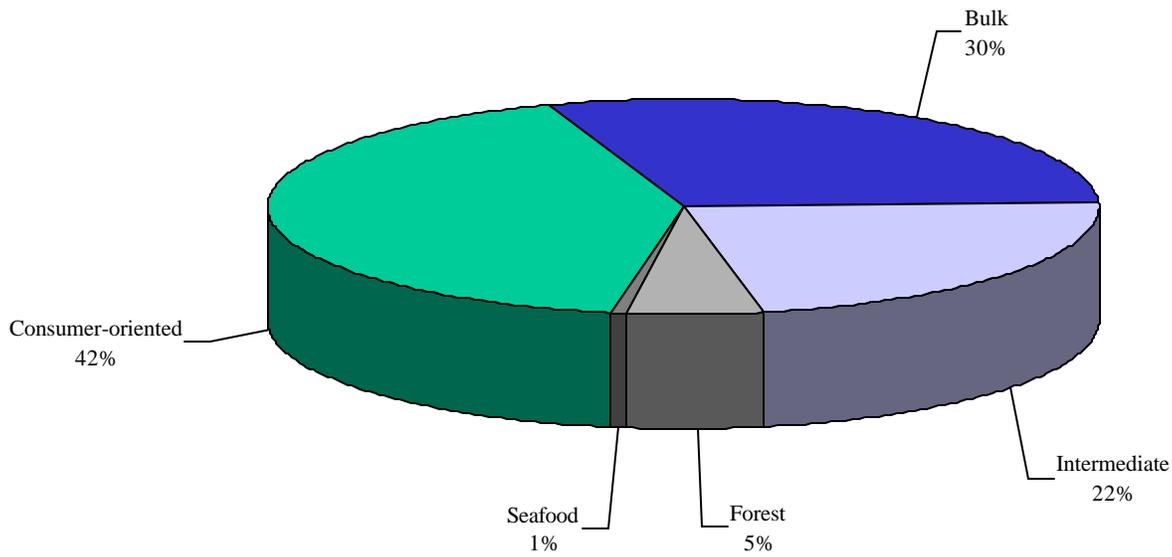
World Trade Atlas
Mexico - Imports -Total-
21 MISCELLANEOUS FOOD
Millions of US Dollars
 January - June

Rank	Country	2004	2005	2006	% Share		% Change	
					2004	2005	2006-06/05	-
1	United States	317.005142	351.534383	375.152905	85.94	83.04	80.29	6.72
2	Uruguay	0.004693	17.427356	23.594265	0	4.12	5.05	35.39
3	Chile	9.149967	7.871124	11.686773	2.48	1.86	2.5	48.48
4	Canada	8.567231	8.517839	8.678567	2.32	2.01	1.86	1.89
5	Netherlands	5.350948	5.266771	8.215093	1.45	1.24	1.76	55.98
6	Guatemala	4.174272	4.986886	5.869115	1.13	1.18	1.26	17.69
7	Taiwan	0.141288	0.566443	4.907786	0.04	0.13	1.05	766.42
8	Spain	3.601551	4.546312	4.41666	0.98	1.07	0.95	-2.85
9	Colombia	1.28508	2.401051	3.252036	0.35	0.57	0.7	35.44
10	France	1.815296	1.40929	2.469113	0.49	0.33	0.53	75.2

Source of data: Secretary of Economy

D. Charts comparing composition by product category for US sales of agricultural, fish and forestry products

Product segment's share of Mexico's \$10.76 billion market for US agricultural, fish and forestry products 2005



SOURCE: BICO REPORT

